

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or printed text on the paper. A faint purple line is visible at the top left corner, possibly from a staple or binding.

Annual Report 1966

Officers

W. L. YOUNG *President*
R. D. BELL *Secretary-Treasurer*
W. E. ESSERY *Assistant Secretary-Treasurer*

Directors

NICHOLAS AXIOTIS *Warren, Ohio, U.S.A.*
K. A. CREERY *Montreal, Quebec*
C. A. FITZSIMMONS *Ottawa, Ontario*
A. H. HINDRICHs *Montreal, Quebec*
D. G. MUNRO *Ottawa, Ontario*
J. E. RIDDELL *St. Andrews, New Brunswick*
W. L. YOUNG *Ottawa, Ontario*

Auditors

ARTHUR A. CRAWLEY & CO.
OTTAWA, ONTARIO

Transfer Agents

CANADA PERMANENT TRUST COMPANY
TORONTO, ONTARIO

Head Office

SUITE 509, 25 ADELAIDE ST. WEST, TORONTO, ONTARIO

Mount Pleasant Mines Limited

Suite 509, 25 Adelaide Street West,
Toronto 1, Ontario

Directors' Report

To the Shareholders:

MOUNT PLEASANT MINES LIMITED

During the year 1966 the development program on your company's tin-base metal property at Mount Pleasant, New Brunswick was curtailed due to the inability of the company to raise the required funds to bring the property to production as recommended by the company's consulting engineers, Canadian Bechtel Limited and T. R. Clarke & Associates. During this period your officers and directors discussed financing with many financial groups, consumers and mining companies but without success.

Efforts to finance further development work on the company's molybdenum-tungsten-tin "Fire Tower Zone" were also frustrated when the financial group failed to proceed with a financing agreement which was presented for shareholders' approval at the last annual meeting.

However, early in 1967 the affairs of the company began to improve. The financial pressure brought about by the company's debt position which resulted during the phase-out of the Bechtel program, was relieved when creditors, at a meeting held on March 9, 1967 voted almost unanimously to accept a Proposal from the company which provides for the issuance of debentures covering all debts prior to February 6, 1967. These debentures are due January 1, 1970.

On March 8, 1967 the company entered into an agreement with Sullico Mines Limited of Montreal, subject to the approval of shareholders. A copy of this agreement is included with the annual report and shareholders' approval of this action of your directors will be sought at this Annual and General Meeting.

Sullico Mines Limited headed by Mr. Pierre Beauchemin is a part of the Sullivan mining group which includes Sullivan Consolidated Mines Limited, East Sullivan Mines Limited and other successful producers whose total value of production during 1966 was \$25,737,688 with a global net profit of \$8,174,901.

Over the years the Sullivan group have shown themselves to be aggressive mine developers and operators with the technical and financial strength necessary to bring mines into production—factors your directors considered of paramount importance when discussing the merits of the Sullico proposal.

In essence the agreement grants to Sullico a 3-year working option on the company's claims. To keep the option in good standing Sullico must spend a minimum of \$50,000 the first year, \$100,000 the second year and \$150,000 the third year. To exercise the option Sullico must incorporate a new 3,000,000 share company of \$1.00 par value shares. Mount Pleasant will be issued 300,000 fully paid shares on formation and, when the debentures issued to creditors have been retired, a further 360,000 fully paid shares, for a total of 22% of the capital in the operating company.

Sullico, if the option is exercised, will supply all the necessary funds to complete the development work and bring the property to production by means of equity and loan financing. No increase in capital is foreseen unless Sullico invests in excess of \$5,000,000, in which event and if required, further equity financing would be on a pro rata basis.

Furthermore, Sullico have granted to Mount Pleasant the right to receive a royalty of 10c per ton of ore mined payable out of annual net profits. If the large low-grade tin and molybdenum-tungsten ore zones are brought to production this could amount to a considerable additional income for the company.

Sullico has agreed to a rental-purchase of Mount Pleasant's equipment for a sum of \$50,000 spread over a 3-year period, providing an inspection of the equipment meets with their approval, and they have further agreed to pay advance royalties at the rate of \$20,000 per year for the first 3 years after the new company has been incorporated. We are hopeful that production will be attained well in advance of this date as Sullico have assured us that they intend to proceed as rapidly with the development work as good engineering practice will permit.

Your company has liquidated its holdings in Mount Costigan Mines Limited and Geo-Met Reactors Limited. We still hold 495,714 shares (effective control) of Atlantic Nickel Mines Limited, a company which owns a copper-nickel deposit in southwestern New Brunswick. Based on 335,000 tons of ore grading 1.20% nickel and 0.70% copper and with excellent possibilities of increasing this reserve, we believe this is a valuable asset. Negotiations to finance this company are now in progress.

In conclusion, this has been a most difficult period for your company due to the lack of finances. On the other hand it has been a period of consolidation when the debt situation was placed in good order and an agreement was signed which provides for further development work on the company's tin-base metal property by a major Canadian mining group providing shareholders approval is obtained.

Thanks are due to shareholders and associates whose encouragement and support were invaluable. The Board still holds to the opinion that the tin-molybdenum-tungsten-zinc-fluorite deposits at Mount Pleasant can be developed into a substantial mine. The exercising of the Sullico option will be an important forward step towards this objective.

On behalf of the Board,

W. L. YOUNG
President.

Toronto, Ontario,
May 26, 1967.

Mount Pleasant Mines Limited

Auditors' Report

To the Shareholders

MOUNT PLEASANT MINES LIMITED

We have examined the balance sheet of Mount Pleasant Mines Limited at December 31, 1966 and the statements of deficit, development expenses deferred and administrative expenses for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet and statements of deficit, development expenses deferred and administrative expenses present fairly the financial position of the Company at December 31, 1966 in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year except for the change (with which we agree) outlined in note 8.

ARTHUR A. CRAWLEY & CO.
Chartered Accountants

Ottawa, Canada,
May 10, 1967.

Mount Pleasant

(Incorporated under the laws of the State of New Jersey)

Balance

DECEMBER 31, 1966

Assets

CURRENT

Sundry accounts receivable and deposits.....	812.00	
Account receivable on sale of investments.....	35,000.00	35,812.00

FIXED

Equipment, buildings and facilities at approximate realizable value—note 1.....		52,000.00
---	--	-----------

MINING CLAIMS—note 2

Charlotte County, New Brunswick:

80 patented mining claims acquired for 884,000 common shares of the company at 10¢ per share and a cash consideration of \$1,600.00 (1959)	90,000.00	
18 patented mining claims acquired for 200,000 common shares of the company at \$1.00 per share (1965) (13 claims allowed to lapse during 1966).....	200,000.00	
20 patented mining claims staked by the company (costs included in deferred expenses).....	—	290,000.00

INVESTMENTS—note 3

Subsidiary company:

Shares.....	50,000.00	
Advances.....	15,030.34	
Other investments—shares.....	2.00	65,032.34

OTHER

Development expenses deferred.....		2,767,967.09
		<u>\$3,210,811.43</u>

Approved on behalf of the Board of Directors

W. L. YOUNG Director

Mines Limited

(the Province of Ontario)

Sheet

31, 1966

Liabilities

CURRENT

Bank loan—secured by investments and accounts receivable —note 4.....	10,000.00	
Accounts payable and accrued liabilities.....	2,527.54	
Due to associated company.....	4,946.09	17,473.63

DEFERRED ACCOUNTS PAYABLE—note 5.....		245,177.73
---------------------------------------	--	------------

Shareholders' Equity

CAPITAL STOCK AUTHORIZED

- 128,398 5% non-cumulative preference shares of 50 cents each,
redeemable at par
- 7,500,000 common shares without par value, aggregate
consideration not to exceed \$7,500,000.00

CAPITAL STOCK ISSUED

Common shares		
Issued for—property.....	1,084,000 shares	288,400.00
—cash.....	4,367,275 shares	3,214,820.26
—other consideration.....	73,751 shares	73,751.30
Total December 31, 1966 and 1965..... (Stock Option—note 7)	5,525,026	3,576,971.56

CONTRIBUTED SURPLUS

Premium on issue of preference shares (1963).....	40,000.00
---	-----------

DEFICIT.....	3,616,971.56	
	668,811.49	2,948,160.07

CONTINGENT LIABILITIES—note 6

\$3,210,811.43

f the Board

NICHOLAS AXIOTIS Director

Mount Pleasant Mines Limited

EXPLANATORY NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1966

Note 1. Equipment, buildings, facilities and supplies have been written down to \$50,000 as an offer has been made subsequent to December 31, 1966 for the lease/sale of these assets for \$50,000 subject to inspection and approval (note 2(c)). Office furniture, fixtures and equipment have been written down to an estimated value of \$2,000.

Note 2. (a) By agreement dated March 8, 1967, the Company granted a three-year working option to Sullico Mines Limited of Montreal, which is subject to the approval of the shareholders, for the further exploration and development of the company's mining claims and the bringing of a mine into production. To keep the option in good standing, the optionee must spend \$50,000 in the first year, or spend a minimum of \$25,000 and commit another \$25,000 to be spent in the second year. The optionee then has the right to extend the option for a second period of one year during which the optionee must spend \$100,000 over and above the previous \$50,000, or commit \$100,000 to be spent in the third year. The optionee then has the right to extend the option for a third period of one year during which the optionee must spend \$150,000 over and above the previous \$150,000 spent or committed for the first two periods or commit itself to spend this additional amount of \$150,000. The optionee would then have the right to purchase the company's mining claims and to exercise the option must incorporate a new company with authorized capital of three million shares of \$1.00 par value each, to which the mining claims would be transferred. Mount Pleasant would receive 300,000 fully paid shares of the new company in consideration for the mining claims and an additional 360,000 shares providing Mount Pleasant has paid the amount due to its creditors or has freed the mining claims of all encumbrances. Otherwise the optionee may advance to the new company the funds necessary to settle with the creditors, in which case Mount Pleasant would lose its right to acquire the 360,000 shares.

(b) Mount Pleasant will also be entitled to receive a royalty of ten cents per ton of ore mined, out of net profits, and the optionee has agreed to pay through the new company advance royalties of \$60,000 without interest at the rate of \$20,000 per year for each of the first three years following the incorporation of the new company.

(c) During the life of the option Mount Pleasant offers to the optionee, a lease-purchase agreement covering all fixed assets and supplies at the mine site including surface rights, roads, surface improvements, equipment, buildings, mine supplies, tools etc. subject to the optionee's inspection and approval before July 1, 1967 for a total sum of \$50,000. Under the agreement, \$10,000 would be payable October 1, 1967, \$20,000 would be payable October 1, 1968 and \$20,000 October 1, 1969. When the \$50,000 has been paid, the new company incorporated and other terms of the option complied with, the new company would own these assets.

Note 3. Investments

	Advances	Shares
Atlantic Nickel Mines Limited, Subsidiary Company	15,030.34	
495,714 common shares (converted from voting class B shares during year).....		50,000.00
Brunswick Tin Mines Limited— charter only, company not organized.....		1.00
Cornish Tin Improvements Limited 1,000 7% preference shares 14,000 common share (16 $\frac{2}{3}$ % interest) written down to nominal value.....		1.00
	<u>\$15,030.34</u>	<u>\$50,002.00</u>

Equity in non-consolidated subsidiary company, Atlantic Nickel Mines Limited:

- (a) Since this company is inactive and without funds, its accounts have not been consolidated with the accompanying financial statements.
- (b) Mount Pleasant Mines Limited's 61% proportion of the net loss of Atlantic Nickel Mines Limited for the year ending December 31, 1966 amounts to \$1,163.83, and proportion of accumulated losses to December 31, 1966 amounts to \$7,722.48, according to unaudited financial statements of this company.
- (c) Atlantic Nickel Mines Limited holds a mining property, buildings and equipment in New Brunswick. Total deferred development expenses on the property amount to \$15,837.14 at December 31, 1966, and administrative expenses totalling \$12,659.81 to December 31, 1966 have been charged off to deficit.

Note 4. The bank loan was repaid subsequent to December 31, 1966 out of the account receivable on sale of investments.

Note 5. On April 5, 1967, the Court approved a proposal by the company under the Bankruptcy Act, which proposal was accepted by a majority of creditors on March 9, 1967. The proposal includes the following provisions amongst others:

- (a) Payment of secured claims under existing arrangements or as may be arranged or secured creditors to realize upon their security. (see note 4.)
- (b) Payment of preferred claims in full in priority to claims of ordinary creditors.
- (c) Proper fees and expenses of the trustee including legal fees to be paid in priority to all claims of creditors.
- (d) Deferment of the claims of ordinary creditors until January 1, 1970. At that time creditors to be paid in full with interest at $6\frac{1}{2}\%$ per annum and in addition to receive one common share of the company for each \$2.00 owing.
- (e) The Clarkson Company Limited of the City of Toronto was named Trustee.
- (f) As security for the performance of its obligations Mount Pleasant Mines Limited to grant to the Trustee a debenture containing a first floating charge on all its assets and a first fixed charge on all its mining claims, buildings, machinery and equipment.

Note 6. Contingent Liabilities

- (a) The company would be liable for approximately \$53,000 in the event that certain technical data supplied by a creditor was put to use by Mount Pleasant Mines Limited other than through this creditor.
- (b) The company is contingently liable for certain claims totalling \$10,500 which are disputed by the company and subject to settlement.

Note 7. Stock Option

The president of the company has an option on 70,000 common shares of the company at $12\frac{1}{2}$ cents per share, exercisable on or before February 16, 1970.

Note 8. For the year ended December 31, 1966 the company has changed its accounting policy with regard to administration expenses. As a result of this change deferred administration expenses at December 31, 1965 and for the year ended December 31, 1966 totalling \$663,308.71 have been charged to deficit.

Mount Pleasant Mines Limited

STATEMENT OF DEVELOPMENT EXPENSES DEFERRED YEAR ENDED DECEMBER 31, 1966

	Balance January 1, 1966	Expended During Year	Balance December 31, 1966
Survey expenses.....	76,664.86	304.50	76,969.36
Claim fees.....	17,032.95	1,306.00	18,338.95
Stripping, trenching and land clearing.....	28,778.88		28,778.88
Surface diamond drilling.....	259,529.51		259,529.51
Diamond drilling and other expenses (Kennco).....	60,000.00		60,000.00
Assaying, technical and laboratory.....	181,659.57	278.60	181,938.17
Geochemical surveying.....	13,096.73		13,096.73
Salaries and wages.....	298,567.61	624.99	299,192.60
Unemployment insurance and Canada pension plan....	2,892.61	178.10	3,070.71
Workmen's compensation insurance.....	14,049.63	266.62	14,316.25
Management and consulting fees, technical.....	284,514.22	10,882.16	295,396.38
Feasibility study, fees and direct costs.....	80,936.85		80,936.85
Camp supplies, maintenance and rentals.....	125,090.26	13,960.57	139,050.83
Road construction and maintenance.....	28,277.64		28,277.64
Vehicle operation.....	61,189.43	184.08	61,373.51
Equipment repairs, maintenance and rentals.....	29,379.62	1,410.66	30,790.28
Insurance.....	20,108.48	2,983.64	23,092.12
Freight and express.....	5,293.21	188.68	5,481.89
Property compensation.....	20,310.00	2,450.00	22,760.00
Miscellaneous.....	15,260.52		15,260.52
Mine office.....	27,669.54	1,984.56	29,654.10
Travel.....	57,698.16	536.84	58,235.00
Metallurgical research.....	417,092.28		417,092.28
Geology and engineering office.....	22,947.71	612.13	23,559.84
Underground diamond drilling.....	100,208.62		100,208.62
Adit and underground.....	112,614.58		112,614.58
Drifts, crosscuts, raises and stopes.....	171,727.47		171,727.47
Loss on disposal of equipment.....	9,481.90	404.34	9,886.24
Mill site development.....	8,484.39		8,484.39
	<u>\$2,550,557.23</u>	<u>\$38,556.47</u>	<u>2,589,113.70</u>
Cost of equipment, buildings, facilities and supplies in excess of indicated present value—note 1.....			<u>178,853.39</u>
Total development expenses deferred.....			<u>\$2,767,967.09</u>

Mount Pleasant Mines Limited

STATEMENT OF DEFICIT YEAR ENDED DECEMBER 31, 1966

Administration expenses, current and prior years—note 8.....	663,308.71
Incorporation expenses written off.....	3,208.13
Write-down of investments to nominal value—note 3.....	12,923.00
Office equipment and furniture written down to estimated value—note 1.....	17,411.65
	<u>696,851.49</u>
Deduct:	
Profit on sale of investments.....	28,040.00
Balance December 31, 1966.....	<u><u>\$668,811.49</u></u>

STATEMENT OF ADMINISTRATION EXPENSES YEAR ENDED DECEMBER 31, 1966

	Balance January 1, 1966	Expended During Year	Balance December 31, 1966
Capital stock expenses.....	41,208.75	4,601.73	45,810.48
Commission on sale of capital stock.....	30,291.80		30,291.80
Management and consulting fees.....	91,623.73	2,350.00	93,973.73
Professional fees re St. George Molybdenite Mines Limited.....		3,930.30	3,930.30
Interest and bank charges.....	7,848.75	1,371.13	9,219.88
Miscellaneous.....	7,544.71	3,031.90	10,576.61
Office rent.....	28,554.49	1,930.00	30,484.49
Printing, stationery and office.....	22,439.19	1,685.78	24,124.97
Legal fees.....	31,501.06	2,475.00	33,976.06
Auditing and accounting.....	16,295.00	3,904.82	20,199.82
Prospectus and shareholders' information.....	98,329.67	1,874.80	100,204.47
Salaries.....	97,576.75	8,863.68	106,440.43
Telephone and telegraph.....	32,553.01	1,999.58	34,552.59
Travelling.....	106,847.17	4,562.11	111,409.28
Unemployment insurance and Canada pension plan..	560.81	51.08	611.89
Directors' fees.....	22,500.00		22,500.00
Insurance.....	6,320.88	414.87	6,735.75
Business taxes.....	1,922.49	170.52	2,093.01
Bad debts.....	5,058.89	536.04	5,594.93
	<u>648,977.15</u>	<u>43,753.34</u>	<u>692,730.49</u>
Less:			
Interest on short term investments.....	(16,523.14)		(16,523.14)
Dividends, Geo Met Reactors Limited.....	(12,898.64)		(12,898.64)
	<u><u>\$619,555.37</u></u>	<u><u>\$ 43,753.34</u></u>	
Administration expenses, current and prior years, written off to deficit— note 8.....			<u><u>\$663,308.71</u></u>

Mount Pleasant Mines Limited

suite 307, 160 bay street, toronto 1, ontario

364-4391

file 3001

Jeep

March 23, 1967

To the Shareholders:

Since my last communication with shareholders your company has gone through a difficult financial period which I believe is now resolved.

By way of review you will recall that the company undertook to carry out a development program recommended by our consulting engineers, Canadian Bechtel Limited. Unfortunately when the program was one-third completed the company's funds were exhausted and the program had to be stopped. Even so Canadian Bechtel, based on their work, recommended further development including the installation of a 125-ton per day mill. However, despite many approaches to financial sources the necessary funds to carry out these recommendations could not be obtained.

Unfortunately, by the time the Bechtel program was phased out the company was in a debt position. Our creditors showed great patience and a true spirit of co-operation until late last year when a few smaller creditors threatened legal action unless the debts were paid. Consequently the company was forced to file a Proposal to the creditors under the Bankruptcy Act. At a creditor's meeting held March 9, 1967 the creditors by close to unanimous vote agreed to accept our Proposal. As a result, subject to confirmation by the Court a debenture is to be issued securing the debt until January 1, 1970 and making it payable at that time.

Almost simultaneously, negotiations to further the development work at Mount Pleasant were started with Sullico Mines Limited of Montreal culminating in an agreement, subject to approval by shareholders, signed by both parties on March 16, 1967.

The agreement grants to Sullico a 3-year working option. To keep the option in good standing Sullico must spend \$50,000 the first year, \$100,000 the second year and \$150,000 the third year. To exercise the option Sullico must incorporate a new 3,000,000 share company. Mount Pleasant will be issued 300,000 fully paid shares and, when the debenture has been retired by Mount Pleasant a further 360,000 fully paid shares will be issued for a total of 22% of the capital. Mount Pleasant will also receive a royalty of 10¢ per ton of ore mined payable out of net profits. Furthermore, Sullico have agreed to a rental-purchase of Mount

Pleasant's equipment for a sum of \$50,000 spread over a 3-year period, providing an inspection of the equipment meets with their approval. They have also agreed to pay advance royalties at the rate of \$20,000 per year for the first three years after the new company has been incorporated.

All matters considered, your directors are pleased with this agreement. The Sullivan group headed by Mr. Pierre Beauchemin, of which Sullico Mines Limited is a part is known as an aggressive mining concern with a history of mining successes. We feel that the property is in excellent hands.

As quickly as possible a financial statement is being prepared, after which an Annual and Special General Meeting will be called to consider this agreement.

On behalf of the Board,

A handwritten signature in dark ink, appearing to read 'W. L. Young', is written over the printed name.

W. L. Young
President

Mount Pleasant Mines Limited

Suite 509, 25 Adelaide Street West
Toronto, Ontario

NOTICE OF ANNUAL AND GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual and general meeting of the shareholders of Mount Pleasant Mines Limited ("the Company") will be held at Suite 509, 25 Adelaide Street West, Toronto, Ontario, on Wednesday, June 21st, 1967, at the hour of 3:00 o'clock in the afternoon (Toronto Time) for the following purposes:

1. To receive and consider the financial statements of the Company as at December 31, 1966, together with the reports of the directors and auditors thereon.
2. To appoint auditors and to authorize the directors to fix their remuneration.
3. To consider and if thought fit to confirm as a Special Resolution the resolution of directors reducing the number of directors of the Company to five, of whom three shall constitute a quorum.
4. To elect directors.
5. To consider and if thought fit to confirm as a Special Resolution the resolution of directors authorizing the execution and delivery of an agreement dated March 8, 1967 between the Company, Sullico Mines Limited and St. George Molybdenite Mines Limited, which agreement if carried out in full will involve the disposal of a major part of the undertaking of the Company as an entirety to a new company to be formed, a copy of which agreement is annexed hereto.

Shareolders unable to be present in person at the meeting may vote thereat by means of the instrument of proxy enclosed herewith, or by any other appropriate instrument of proxy. If using the instrument of proxy enclosed herewith, sign and date same and return it to the Secretary-Treasurer of the Company at the above address. An information circular accompanies this notice.

DATED at Toronto, Ontario, this 26th day of May, 1967.

By Order of the Board,

ROBERT D. BELL
Secretary-Treasurer.

INFORMATION CIRCULAR

This circular is furnished in connection with the solicitation of proxy by management, Mount Pleasant Mines Limited (hereinafter called "the Company"), for use at the Annual and General Meeting of Shareholders of the Company, to be held on Wednesday, June 21, 1967, at 3:00 o'clock in the afternoon (Toronto time), at Suite 509, 25 Adelaide Street West, Toronto, for the purpose set forth in the foregoing notice of meeting.

RIGHT OF REVOCATION

A shareholder executing the enclosed proxy has the power to revoke it at any time before it is exercised.

PERSONS MAKING SOLICITATION AND METHOD THEREOF

The enclosed proxy is solicited by management of the Company and the cost of solicitation will be borne by the Company. Solicitations will be by mail. Proxies may also be solicited by directors of the Company.

VOTING OF SHARES AND PRINCIPAL HOLDERS THEREOF

Only shares of record at the time of the said meeting on June 21, 1967 will be entitled to vote at the Annual and General meeting. Common shares are entitled to be voted on the basis of one vote per share. On May 26, 1967 the Company had outstanding 5,525,026 common shares. To the knowledge of the directors and senior officers of the Company there is at May 26, 1967 no beneficial owner who holds directly or indirectly common shares of the Company that carry more than 10% of the voting rights attaching to all equity shares of the Company.

ELECTION OF DIRECTORS

At the present time there are nine directors of the Company authorized although the Board of Directors as presently constituted has only seven directors with two vacancies. At the meeting, shareholders will be asked to consider and if thought fit, to confirm a resolution reducing the number of directors to five, of which three shall constitute a quorum. The term of office for each director elected at the meeting will be from the date of the meeting at which he is elected until the Annual Meeting next following, or until his successor is elected or appointed.

The following tabulation gives information regarding each person to be nominated for election as a director:

<u>Name and Principal Occupation</u>	<u>Position Presently held</u>	<u>Period as Director</u>	<u>Shares beneficially owned—directly or indirectly as of May 26, 1967</u>
WILLIAM LEE YOUNG, President and Director of the Company and of Mount Costigan Mines Limited	President and Director	since 1959	119,868
NICKOLAS AXIOTIS, Contractor doing business as Holland Realty in Warren, Ohio.	Director	since 1959	108,479
KENNETH A. CREERY, retired mining executive, formerly chairman of British Metal Corporation (Canada) Limited	Director	since 1965	1
ARTHUR HELMUT HINDRICHs, Executive, President of Artoma Investments Limited	Director	since 1964	650
CLAYTON ALEXANDER FITZSIMMONS, Realtor, President of C. A. Fitzsimmons & Co. Ltd.	Director	since 1961	39,801

REMUNERATION OF MANAGEMENT

During the financial year ended December 31, 1966, the aggregate direct remuneration paid by the Company to its directors and senior officers was \$7,833.31. During the same period the Company paid a total of \$1,800.00 for office rental, accounting and administrative services, of which \$1,300.00 was paid to Arthur A. Crawley & Co. and \$500.00 was paid to Perry-Pattison Limited.

APPOINTMENT OF AUDITORS

Management intends to nominate Arthur A. Crawley & Co., Chartered Accountants, the present auditors, to hold office in the ensuing year, and intends to vote proxies accordingly unless contrary instructions are given.

PARTICULARS OF MATTERS TO BE ACTED UPON

In addition to the receipt and consideration of the financial statements, the election of directors and the appointment of auditors, the shareholders will be asked to consider a reduction in the number of directors and the confirmation of an agreement with Sullico Mines Limited.

The Company's Board of Directors is presently composed of nine, which has proven to be an unwieldy number, particularly since the Company's very active programme of exploration and development of its property in New Brunswick was terminated. In the interests of economy and convenience, it is proposed to reduce the number of directors to five.

The Company has entered into an agreement with Sullico Mines Limited and St. George Molybdenite Mines Limited, under which the Company's principal property in New Brunswick will be optioned to Sullico and will be disposed of to a new company to be incorporated if the option is exercised. St. George Molybdenite Mines Limited is an inactive subsidiary of the Company which was organized for the purpose of acquiring from the Company a portion of its principal property known as the Fire Tower Zone. At that time the Company had an agreement for the financing of their exploration work on the Fire Tower Zone through St. George Molybdenite. The terms of the financing agreement were never completed and as a result title to the Fire Tower Zone was not transferred to St. George Molybdenite. However, because of the existence of the earlier agreement, St. George Molybdenite was made a consenting party to the agreement and has signed the agreement.

If the Sullico option agreement is carried out in full a new company will be incorporated and acquire from Mount Pleasant Mines Limited its principal property in New Brunswick. This is a step which requires authorization by special resolution and accordingly, shareholders will be asked to consider and confirm as a special resolution a resolution passed by the directors providing for the sale of the property to a new company to be incorporated, and authorizing the execution and delivery of the said agreement of March 8, 1967 between the Company, St. George Molybdenite Mines Limited and Sullico Mines Limited. A copy of the said agreement is attached hereto and forms part of this information circular.

If any other matters not now known to management shall properly come before the meeting, including a vacancy or vacancies caused by one or more of the nominees for directors becoming unavailable for election, the accompanying proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

MANNER OF VOTING PROXIES

The shares represented by proxy received by management will be voted, and will be voted in accordance with the statements made herein, except as may otherwise be said on the accompanying instruments of proxy, where the shareholder specifies a choice on the instrument of proxy for or against the items of special business the shares represented by such proxy will be voted in accordance with such instructions. Where a specification is not so made, full authority is granted to vote in favour of confirmation of the resolution involved without variation. Management also intends to vote proxies received in the election of the board of directors and in favour of the appointment of auditors, all as set forth herein.

THE PERSONS NAMED IN THE ACCOMPANYING INSTRUMENT OF PROXY ARE OFFICERS OF THE COMPANY. A SHAREHOLDER HAS THE RIGHT TO APPOINT ANY PERSON OTHER THAN THOSE NAMED TO REPRESENT HIM AT THE MEETING AND IF USING THE ACCOMPANYING INSTRUMENT, SHOULD STRIKE OUT THE PRINTED NAMES AND INSERT THE NAME OF HIS NOMINEE IN THE SPACE PROVIDED THEREFOR.

On behalf of the board of Directors,

W. L. YOUNG

President.

May 26, 1967.

Mount Pleasant Mines Limited

Suite 509, 25 Adelaide Street West
Toronto, Ontario, Canada

PROXY

ANNUAL AND GENERAL MEETING OF SHAREHOLDERS

The undersigned shareholder of Mount Pleasant Mines Limited hereby appoints William Lee Young, President, or him failing, Robert Donald Bell, Secretary-Treasurer, or him failing..... as the proxy of the undersigned to vote and act for and on behalf of the undersigned at the annual and general meeting of shareholders of the Company to be held on the 21st day of June, 1967 and at any adjournment or adjournments thereof, and without limiting the general authorization and power hereby given, the persons named above are specifically directed to vote as indicated below:

FOR ☐ Confirmation without variation as a Special Resolution of the resolution of
AGAINST ☐ directors reducing the number of directors.

FOR ☐ Confirmation without variation as a Special Resolution of the resolution of
AGAINST ☐ directors authorizing the execution and delivery of the March 8th, 1967 agree-
ment with Sullico Mines Limited and St. George Molybdenite Mines Limited, which agreement, if carried out in full, will involve the disposal of a major part of the undertaking of the Company as an entirety to a new company to be formed.

Unless otherwise indicated above, this proxy will be voted in favour of confirmation of each of the resolutions referred to herein. This proxy will be voted in the election of the Board of Directors and in favour of the appointing of auditors all as set forth in the information circular for said meeting, receipt of which is acknowledged. If any further matters properly come before the meeting, this proxy will be voted on such matters according to the best judgment of the persons voting the proxy at the meeting.

DATED this.....day of June, 1967.

┌ ┐

.....
Signature of Shareholder

NOTE 1. Where the instrument is signed by a Corporation, its corporate seal must be affixed.

2. THIS PROXY IS SOLICITED ON BEHALF OF THE MANAGEMENT.

If you are the holder of shares and are not able to be personally present at the annual and general meeting of shareholders, kindly fill in, sign and return this instrument of proxy in the envelope provided for that purpose.

┌ ┐

